

(b) For representatives benefitting from the exemption of security tolls as set out in §401.26(c) and §401.26(d), a continuous preclearance status may be assigned to all vessels under their responsibility. Validation of the continuous preclearance status will be required every 5 years.

(c) For representatives with a valid security for tolls and a good payment history as set out in §401.26(c) and §401.26(d), a continuous preclearance status may be assigned to all vessels under their responsibility. Validation of the continuous preclearance status will be required every year.

(d) In the event that a vessel under the representative's responsibility is modified or upgraded, an application for preclearance will be required to update the vessel's information and reset the vessel's preclearance status.

[79 FR 12660, Mar. 6, 2014]

§ 401.25 Approval of preclearance.

Where the Corporation or the Manager approves an application for preclearance, it shall:

- (a) Give the approval; and
- (b) Assign a number to the approval.

[39 FR 10900, Mar. 22, 1974, as amended at 65 FR 52914, 52915, Aug. 31, 2000]

§ 401.26 Security for tolls.

(a) Before transit by a vessel to which the requirement of preclearance applies, security for the payment of tolls in accordance with the "St. Lawrence Seaway Tariff of Tolls" as well as security for any other charges, shall be provided by the representative by means of:

- (1) A deposit of money with the Manager;
- (2) A letter of guarantee to the Manager given by a financial institution approved by the Manager; or
- (3) A letter of guarantee given to the Manager by an acceptable Bonding Company. Bonding Companies may be accepted if they:
- (4) A letter of guarantee to the Manager given by an institution referred to in paragraph (a)(2) of this section.
- (5) A letter of guarantee or bond given to the Manager by an acceptable Bonding Company. Bonding companies may be accepted if they:

(i) Appear on the list of acceptable bonding companies as issued by the Treasury Board of Canada; and

(ii) Meet financial soundness requirements as may be defined by the Manager at the time of the request.

(b) The security for the tolls of a vessel shall be sufficient to cover the tolls established in the "St. Lawrence Seaway Tariff of Tolls" for the gross registered tonnage of the vessel, cargo carried, and lockage tolls as well as security for any other charges estimated by the Manager.

(c)(1) Where a number of vessels:

(i) For each of which a preclearance has been given;

(ii) Are owned or controlled by the same individual or company; and

(iii) Have the same representative,

(2) The security for the tolls may not be required if the individual, company or representative has paid every toll invoice received in the preceding five years within the period set out in §401.75(a).

(d) Notwithstanding paragraph (c) of this section, where a number of vessels, for each of which a preclearance has been given, are owned or controlled by the same individual or company and have the same representative, the security for the tolls may be reduced or eliminated provided the representative has paid every toll invoice received in the preceding five (5) years within the period set out in §401.75(a). Upon request from the Manager, the representative must provide the Manager with a financial statement that meets the requirements established by the Manager.

(e) Where, in the opinion of the Manager, the security provided by the representative is insufficient to secure the tolls and charges incurred or likely to be incurred by a vessel, the Manager may suspend the preclearance of the vessel.

[65 FR 52914, Aug. 31, 2000, as amended at 71 FR 5606, Feb. 2, 2006; 79 FR 12660, Mar. 6, 2014]

SEAWAY NAVIGATION

§ 401.27 Compliance with instructions.

Every vessel shall comply promptly with transit instructions given by the traffic controller or any other officer.

[73 FR 9953, Feb. 25, 2008]